

RHODE ISLAND COMMERCE CORPORATION

MEETING OF DIRECTORS

PUBLIC SESSION

December 19, 2016

The Board of Directors of the Rhode Island Commerce Corporation (the “Corporation”) met on December 19, 2016, in Public Session, beginning at 5:00 p.m. at the offices of the Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island 02908, pursuant to the public notice of meeting, a copy of which is attached hereto as Exhibit A, as required by applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Gina M. Raimondo, Bernard V. Buonanno III, Jason Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Directors absent were: Ronald O’Hanley, Donna M. Sams, and Dr. Nancy Carriuolo.

Also present were: Secretary of Commerce Stefan Pryor, Darin Early and Thomas Carlotto, Esq.

1. CALL TO ORDER AND OPENING REMARKS

Governor Raimondo called the meeting to order at 5:17 p.m., indicating that a quorum was present.

2. TO CONSIDER FOR APPROVAL THE PUBLIC SESSION MINUTES FOR THE MEETING HELD ON NOVEMBER 21, 2016.

Upon motion duly made by Ms. Lovejoy and seconded by Ms. Toledo-Vickers, the following vote was adopted:

VOTED: To approve the Public Session minutes for the meeting held November 21, 2016 as presented to the Board.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none.

3. TO CONSIDER THE APPLICATION OF SURPLUS SOLUTIONS, LLC FOR INCENTIVES UNDER THE QUALIFIED JOBS INCENTIVE TAX CREDIT PROGRAM.

Jesse Saglio, Head of Investments, explained that Surplus Solutions, LLC (“Surplus”) is seeking tax incentives under the Qualified Jobs

Incentive Tax Credit Program. He stated that Surplus is in the business of distributing new and used biotechnical and pharmaceutical equipment, and currently is located in Fall River, Massachusetts and would move to Woonsocket. He indicated that the company would move its existing twelve employees and increase its employment to sixteen (16) over the term of the eligibility period.

In response to a question by Mr. Nee, Mr. Saglio indicated that Surplus was planning to relocate very soon, and that Surplus was planning to execute a lease of a building in Woonsocket upon approval of the Qualified Jobs tax credits. Mr. Wadensten inquired if Surplus had regional, national, or global sales to which Mr. Saglio responded that the majority of Surplus's customers are in Rhode Island and Massachusetts. Mr. Saglio explained that Surplus was founded and began operating in Florida, but due to the quantity of its customers in the New England area, subsequently moved to Fall River.

Upon motion duly made by Mr. Herbert and seconded by Mr. Nee, the following vote was adopted:

VOTED: To approve Surplus Solutions, LLC for an award of incentives under the Qualified Jobs Incentive Act pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason

Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as Exhibit B.

4. TO CONSIDER THE APPLICATION OF WALDORF CAPITAL PARTNERS, LLC FOR INCENTIVES UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM.

Mr. Saglio explained that Waldorf Capital Partners, LLC (“Waldorf”) is proposing a development project adjacent to land located at 95 Chestnut Street in Providence, which is also owned by Waldorf. He stated that the project will cost \$33 million and yield 110,000 square feet of residential and retail mixed-use space, which will include approximately ninety-one upscale apartments, fifty-five parking spaces, and about 5,000 square feet of retail space. Mr. Saglio indicated that the parcel upon which the project will be located has a unique layout, which makes it difficult for a developer to develop unless the developer owns an adjacent parcel as is the case with Waldorf. Mr. Saglio noted that the proposed incentives included approximately \$3 million in Rebuild RI tax credits together with a sales tax rebate.

Mr. Wadensten asked how many residential projects are in the

Corporation's Rebuild RI portfolio. Mr. Salgio responded that residential projects constitute approximately 40% of the portfolio. Mr. Wadensten inquired whether the Corporation will cap its portfolio when it is 50% residential and Mr. Salgio indicated that it will not likely be capped, but the goal is to have a portfolio evenly balanced between commercial and residential projects.

Mr. Buonanno inquired into the market demand for apartments, asking Zach Darrow (a principal of Waldorf) for his insight. Mr. Darrow indicated that he has been following the Providence rental market for about fifteen years, and has served as counsel to numerous developers in the market. He stated that previously, the Providence Journal published an article that indicated that Providence was comparable to Manhattan on a ratio basis in terms of apartment availability and demand. He also stated that Rhode Island has been ranked fifth in the nation for apartment demand. Mr. Darrow indicated that Waldorf has not advertised the project, but it has already received inquiries from potential tenants. He elaborated that recently an apartment building opened on Westminster Street with a projected absorption of eleven months; however, the apartment building was fully absorbed in about three months.

Ms. Lovejoy asked Mr. Darrow when he believed that Providence would be self-sustaining in its redevelopment without the assistance of development incentive programs. Mr. Darrow replied that self-sufficiency is predominantly tied to rental rates, which need to be

higher in order to offset the construction costs.

Upon motion duly made by Mr. Buonanno and seconded by Mr. Wadensten, the following vote was adopted:

VOTED: To approve Waldorf Capital Partners, LLC for an award of incentives under the Rebuild Rhode Island Tax Credit Act pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as Exhibit C.

5. TO CONSIDER THE APPLICATION OF VIRGIN PULSE, INC., FOR INCENTIVES UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM AND THE QUALIFIED JOBS INCENTIVE TAX CREDIT PROGRAM.

Mr. Saglio stated that Virgin Pulse, Inc. (“Virgin Pulse”) is a technology-driven health and wellness company that is currently located in Framingham, Massachusetts, serving approximately 250 clients. Mr. Saglio indicated that Virgin Pulse has chosen Providence

as the city in which it will expand its operations. He stated that over the next two (2) years, Virgin Pulse has committed to growing its Rhode Island workforce to 292 jobs, in addition to the sixty five (65) ShapeUp jobs that presently exist in Rhode Island. Mr. Saglio stated that the proposed incentives include tax credits under the Qualified Jobs program for the 292 newly-created jobs and tax credits under the Rebuild RI program to assist Virgin Pulse with completing the build-out of its leased space.

The Governor explained that ShapeUp was a start-up wellness company that was founded by a Brown University student to help patients with wellness and disease management. She further explained that Virgin Pulse bought ShapeUp and was planning to move ShapeUp out of Rhode Island. She stated that because of the proposed credits, Virgin Pulse has decided to stay in Rhode Island. Mr. Herbert commended the Corporation's staff on working with Virgin Pulse.

Ms. Lovejoy asked Mr. Saglio to discuss the phases of the agreement in relation to the Qualified Jobs tax incentives. Mr. Saglio responded that the agreement is divided into two phases in order to support growth; there is a "ramp up" period in the beginning, which subsequently transitions into a conservative new-job-hire projection.

Mr. Buonanno expressed his approval of the deal. He clarified that

the deal does not underwrite Virgin Pulse and that it protects the tax-payers capital in two ways: the Rebuild funds are staged so that Virgin Pulse must build the space and hire the employees before it receives any incentives; and the Qualified Jobs' funds will only be received if Virgin Pulse actually hires the employees. He commended the Corporation's staff for ensuring that the taxpayer's money is protected.

Mr. Nee questioned whether there will be any monitoring of Virgin Pulse's obligations under the agreement, to which Mr. Pryor indicated that such monitoring is structurally required in the Rebuild and Qualified Jobs programs.

Mr. Wadensten commended the Governor and the Corporation's staff for their tenacity in attempting to keep jobs in Rhode Island. He stated, however, that he believed there is a need for intangible and nonmonetary benefits to be offered to Rhode Island's business. The Governor agreed, and stated that such programs exist, such as the Wavemaker program. By way of example, the Governor indicated that executives from Johnson and Johnson are interested in Brown for its technology talent, which Wavemaker can help facilitate. Mr. Wadensten stated that he believed that the Presidents of local colleges need to be involved in the process to help connect the college's students with local companies. Mr. Herbert agreed, and stated that URI has a program in which students can receive a computer science degree in four years, which will serve as a benefit

to companies like General Electric and Virgin Pulse. Ms. Toledo-Vickers identified Opportunity at Work and Tech Hire as other programs that are helping to scale Rhode Island's workforce.

Upon motion duly made by Ms. Kaplan and seconded by Mr. Herbert, the following vote was adopted:

VOTED: To approve Virgin Pulse, Inc. for an award of incentive under the Rebuild Rhode Island Tax Credit Act and the Qualified Jobs Incentive Act pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Jason Kelly, Bernard V. Buonanno III, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as Exhibit D.

6. TO CONSIDER EVALUATION PRINCIPLES IN RELATION TO THE AIRPORT DEVELOPMENT FUND.

Nicholas Autiello, Senior Economic Analyst for the Executive Office of Commerce, explained that the Board previously appointed members to the Air Service Development Council ("ASDC"), who

would be charged with administering funds appropriated by the General Assembly. Mr. Autiello stated that the ASDC has met and determined criteria that it will use in its determinations of awards to air service providers. He explained that the criteria include: (1) the types of increase in service; (2) the financial benefit of investment in the service; (3) the particular route and how it fits into the Corporation's economic goals; and (4) the economic impact of the route.

Ms. Lovejoy inquired as to the review process of new airline routes, and Mr. Autiello explained all routes are reviewed first by the Rhode Island Airport Corporation and if there is a potential need for incentives, the route will be reviewed by the ASDC. Mr. Wadensten asked about the amount of incentives and Mr. Autiello noted that the fund is \$1.5 million.

In response to questions by Mr. Wadensten, Mr. Autiello stated that an airline that flew from T.F. Green to Germany had to cancel its service due to market pressure from Logan Airport; however, T.F. Green maintains international flights to Cape Verde and the Azores. Mr. McNally inquired as to reevaluation of routes once the ASDC decides to incentivize the route. Mr. Autiello explained that if the support was longer term the expectation is that the routes would be reviewed in the two to three year range.

In response to a question by Ms. Kaplan, Mr. Autiello stated that the

RIAC staff reviewed other airports with similar incentive programs and used best practices to create the evaluation principles before the Board. Mr. Nee asked whether the money in the fund will carry over to next year, and Secretary Pryor confirmed that the funding would carry over.

Upon motion duly made by Mr. Nee and seconded by Mr. Buonanno, the following vote was adopted:

VOTED: To approve the evaluation principles in relation to the Airport Development Fund submitted to the Board.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none

A copy of the Evaluation Principles are attached hereto as Exhibit E.

7. TO CONSIDER THE APPROVAL OF A GRANT UNDER THE PTECH PROGRAM TO WOONSOCKET.

Dan Sutton, Director of Education Partnerships, stated that he was seeking the Board's approval of a \$200,000 award under PTECH to the Woonsocket School District ("Woonsocket"), who has created a

PTECH program that focuses on information and technology career pathways with CVS Health. He indicated that Woonsocket's PTECH program is aligned with existing and prospective degrees with the Community College of Rhode Island, and there exists an opportunity to align with Rhode Island College as well.

In response to a question by Mr. McNally, Mr. Sutton indicated that the PTECH funds will be used to fund Woonsocket for approximately one and one half (1 ½) years, after which time, Woonsocket will be expected to fund the program and be self-sustaining. Ms. Toledo-Vickers inquired as to the CTE program at Woonsocket, and William Webb (Director of the Woonsocket Area Career and Technical Center) responded that Woonsocket sponsors ten CTE programs, including child studies, graphics, design, communications, health care, travel and tourism, construction, digital media, culinary, automotive, and game design. In response to a question by Ms. Toledo-Vickers, Mr. Webb indicated that the PTECH funds would be used to expand upon the programs that Woonsocket currently offers.

Mr. Wadensten inquired into the difference between CTE and PTECH programs. Mr. Sutton stated that PTECH programs occur at high schools and CTE programs occur at career technical education centers. By way of example, Mr. Sutton stated that Providence High School has both PTECH and CTE programs that take place at the high school and at a nearby career and technical academy; Newport High

School's programs are a blend between PTECH and CTE programs that occur at Rogers High School and the Newport Technology center; and Westerly only has PTECH programs as it does not have a career technical center. Mr. Sutton indicated that each PTECH program has a director, who reports to the high school's superintendent.

Upon motion duly made by Ms. Kaplan and seconded by Mr. Herbert, the following vote was adopted:

VOTED: To approve a grant under the PTECH program to Woonsocket pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as Exhibit F.

8. TO RECEIVE A PRESENTATION REGARDING BUSINESS DEVELOPMENT.

Hilary Fagan, EVP Business Development, explained that the

Corporation has focused its business development strategy on several platforms, including (1) attracting new business to Rhode Island; and (2) incubating, growing, and expanding businesses in Rhode Island. In pursuing its strategy, Ms. Fagan elaborated that the Corporation has (1) focused its business development on targeted industries identified in the Brookings Report; (2) attempted to incent companies to relocate or grow their operations in Rhode Island; and (3) leveraged personal connections of many business leaders and government leaders.

Ms. Fagan gave a brief background for each of the team members: Lynn Rakowsky; Jeff Tingley; Hope Hopkins; and Emily Manz. Ms. Fagan indicated that the Corporation's business development lead sources include: (1) influencers/multipliers; (2) direct company outreach, which occurs daily; (3) city surge and FDI targets; (4) digital media and paid advertising; and (5) Rhode Island company referrals. Ms. Fagan explained the different levels that the business development team must go through to identify a lead and qualify a project.

Ms. Fagan indicated that a value proposition by industry is import to create a message to a target industry, which will increase the Corporation's chances of recruiting businesses. She stated that the Corporation has a good relationship with the Greater Providence Chamber of Commerce ("GPCC"), and both organizations continue to work closely on business development efforts. Secretary Pryor

commended Ms. Lara Salamano, Ms. Fagan, and the GPCC for the work that they have accomplished.

In response to a comment by Ms. Lovejoy, Ms. Fagan indicated that three (3) companies have made unsolicited inquires through the GPCC and that she received an unsolicited email from a wind company looking to possibly relocate to Rhode Island.

Mr. Herbert asked if the Corporation was utilizing the customer relation management software, which Ms. Fagan answered in the affirmative, indicating that the Corporation utilizes Salesforce. Ms. Fagan stated that the Salesforce software needs to be aligned with the Corporation's prospecting mission. In response to a question by Mr. Herbert, Ms. Salamano explained that the Corporation's current marketing is very manual. Mr. Herbert indicated that the next step for the Corporation should be making its marketing automated.

Mr. Buonanno suggested that the Corporation develop a pipeline of qualified leads that can be shared with the Board or other business and government leaders. He explained that such pipeline may help close many deals. The Governor agreed with Mr. Herbert's suggestions. Ms. Fagan indicated that confidentially restrictions oftentimes can hamper the sharing certain information difficult. Mr. Wadensten offered to show Ms. Salamano and Ms. Fagan the YPO network of which he is a member.

A copy of the PowerPoint presentation for this Agenda items is attached hereto as Exhibit G.

9. TO RECEIVE YEAR-END RECAP REGARDING THE CORPORATION'S INITIATIVES.

Mr. Early explained that the Corporation's business development team, over a period of eight (8) months, has made 1400 touch points with local businesses across the Corporation's targeted industries, which has generated eighty five (85) meetings and thirty nine (39) legitimate business opportunities. He explained that such numbers are only a result of the Corporation's business development team and no other affiliated entities.

Mr. Early stated that the Corporation's client services team has been to 150 road show events, which were attended by 2500 people. He explained that such attendance has served as a foundation for the business development team to close deals. He indicated that the client services team has set up Salesforce, a customer relation management software, and created a Statewide Action Team to identify inefficiencies within the government.

Mr. Early stated that the Corporation's investment programs—Rebuild RI, Qualified Jobs, TIF, and TSA—have resulted in twenty six (26) transactions, which have yielded roughly \$55.6 million in incentives, 5,678 jobs, and approximately \$500,000,000 in outside capital. Such

programs have assisted in the development of 1,000 residential units across the State.

Mr. Early indicated that the Corporation has issued \$830 million in conduit bond issuances across nine (9) transactions. He explained that the Small Business Loan Fund, which has its own board of directors, has approved twenty (20) transactions totaling \$5.4 million. Further, Mr. Early stated that the Renewable Energy Fund has committed \$1.5 million in small scale funding and \$7.2 million in commercial funding. Mr. Early stated that the Corporation has issued twenty seven (27) innovation grants totaling \$5.65 million.

Mr. Early stated that the Corporation has deployed new phone, payroll, and human resources systems; upgraded its network; and added twenty one (21) full time employees. Further, Mr. Early indicated that the Corporation has been through five (5) audits and one (1) performance audit.

Mr. Early explained that the Corporation's marketing team has created (60) publications and other products to build its brand. Further, he stated that the Corporation has participated in fifteen (15) Twitter takeovers, increased its social media following by 123%, and increased its website visits by 178%. Mr. Early stated that in regards to tourism, the Corporation has had a successful click-through rate and an AVE of \$8.3 million, which is well beyond the cost of hosting such media.

Mr. Matt Scheaff explained to the Board that a Twitter takeover occurs when a local company uses the Corporation's twitter account and makes social media posts about its business and why it conducts business in Rhode Island.

Mr. Nee stated that a lot has occurred in a short period of time. Mr. Herbert stated that there is good momentum for 2017.

A copy of the PowerPoint presentation for this Agenda item is attached hereto as Exhibit H.

10. TO CONSIDER AMENDMENTS TO THE CORPORATION'S FLEXIBLE BENEFITS PLAN.

Lisa Lasky, CFO, explained that due to the Internal Revenue Service ("IRS") expanding events that trigger a mid-year change of benefit plans, the Corporation needs to amend its benefit plan to be in compliance with IRS regulations.

Upon motion duly made by Ms. Toledo-Vickers and seconded by Mr. Wadensten, the following vote was adopted:

VOTED: To approve the amendments to the Corporation's benefits plan pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as Exhibit I.

11. TO CONSIDER THE SELECTION OF A VENDOR IN RELATION TO BUSINESS TAX CLIMATE CONSULTING SERVICES.

Mr. Early did not participate in the agenda item.

Mr. McNally recused himself from participation of this agenda item.

Rebecca Webber, Chief of Staff with the Executive Office of Commerce, indicated that Jones Lang LaSalle (“JLL”) was the successful bidder with respect to a Request for Proposal for business tax climate consulting services that the staff is recommending for approval by the Board. Ms. Webber indicated that JLL’s business tax climate consulting services would cost \$90,000.

Secretary Pryor indicated that the objective of obtaining JLL for tax climate consulting services is to analyze the tax burdens and advantages of businesses in Rhode Island and to compare those burdens and advantages to other jurisdictions. In response to a

question by the Governor, Secretary Pryor indicated that JLL will be able to assist the Corporation with tax strategies in the event that the federal tax code is amended. Mr. Herbert questioned whether JLL will provide strengths and weaknesses of the State's tax structure, to which Secretary Pryor answered in the affirmative. Secretary Pryor indicated that Rhode Island compares favorably to other states in many ways, but JLL's report will assist the Corporation in determining what measures could be undertaken that would make Rhode Island's the tax climate even more competitive.

Mr. Herbert questioned whether the State will be compared to states other than Massachusetts and Connecticut, to which Secretary Pryor answered in the affirmative. In response to a question by Mr. Wadensten, Secretary Pryor indicated that JLL will consult with local certified public accountants and businesses to determine the tax climate and effects of the current tax structure. Mr. Buonanno indicated that a comprehensive analysis is necessary, otherwise the analysis would be misleading because so many businesses in Rhode Island are pass-through entities.

Upon motion duly made by Mr. Nee and seconded by Mr. Herbert, the following vote was adopted:

VOTED: To approve the selection of Jones Lang Lasalle to perform business tax climate consulting services pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason Kelly, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as Exhibit J.

12. TO CONSIDER THE SELECTION OF A VENDOR IN RELATION TO INNOVATION CAMPUS CONSULTING SERVICES.

Mr. Autiello explained that during this year's election, the voters passed the Higher Education Bond, which attributed \$20 million to create one (1) or more innovation campuses. He stated that innovation campuses bring together a university partner and a private sector partner to work on creating jobs. Mr. Autiello explained that HRNA was the winner of a recent Request for Proposals and will provide assistance with the process and structure for the competition for the building of the campus, outreach to developers and the private sectors, and provide general consulting services.

Secretary Pryor indicated that the University of Rhode Island's president, David Dooley, committed to sharing the cost of the innovation campus with the Corporation. In response to a question by Ms. Lovejoy, Secretary Pryor indicated that HRNA was previously

hired by the Corporation to conduct a report on the 195 corridor.

The Governor indicated that the innovation campus is modeled after an innovation campus at Clemson University.

Upon motion duly made by Mr. Nee and seconded by Mr. McNally, the following vote was adopted:

VOTED: To approve the selection of a vendor to perform innovation campus consulting services pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Jason Kelly, Bernard V. Buonanno III, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as Exhibit K.

13. TO CONSIDER THE SECTION OF A VENDOR FOR CONSULTING SERVICES IN RELATION TO BUSINESS CLIMATE AND QUALITY OF LIFE RANKINGS.

Lara Salamano, Chief Marketing Officer, explained that before the Board for approval was HR&A Advisors (“HR&A”), who would provide the Corporation with consultation services in relation to business climate and quality of life rankings. Ms. Salamano explained that HR&A has been in business for over thirty years, and will assist the Corporation in determining what the rankings entail, and what the corporation needs to accomplish to affect the State’s rankings. Ms. Salamano indicated that HR&A’s services will cost \$99,500.

Mr. McNally expressed his approval of this effort.

Upon motion duly made by Mr. Buonanno and seconded by Ms. Toledo-Vickers, the following vote was adopted:

VOTED: To approve the selection of HR&A to perform consulting services in relation to business climate and quality of life rankings pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as Exhibit L.

14. TO CONSIDER LITIGATION ISSUES IN RELATION TO 38 STUDIOS, LLC AND THE APPROVAL OF EXECUTIVE SESSION MEETING MINUTES.

Upon motion duly made by Mr. O'Hanley and seconded by Mr. Kelly, the following vote was adopted:

VOTED: To enter into executive session to consider litigation issues in relation to 38 Studios, LLC and the approval of executive session meeting minutes.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Jason Kelly, Michael F. McNally, George Nee, Vanessa Toledo-Vickers, Mary Jo Kaplan, Mary Lovejoy, Tim Herbert, and Karl Wadensten.

Voting against the foregoing were: none.

Members of the Board, staff, and counsel entered into executive session at 6:30 p.m.

Members of the Board, staff, and counsel returned to public session at 7:17 p.m.

Upon entering public session, Thomas E. Carlotto, Secretary, reported that the Board unanimously voted to keep the votes taken in executive session confidential pursuant to R.I. Gen. Laws §

42-46-4(b).

Upon motion duly made by Mr. Buonanno and seconded by Mr. Herbert, the following vote was adopted:

VOTED: That the minutes of the executive session be sealed.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 7:18 p.m., upon motion made by Ms. Toledo-Vickers and seconded by Mr. Herbert.

Thomas Carlotto, Secretary